

State of California

Franchise Tax Board-Legislative Services Bureau
PO Box 1468
Sacramento, CA 95812-1468

Telephone: (916)845-4326
ATSS: 468-4326
FAX: (916)845-5472

Legislative Change No. 02-38

Bill Number: AB 1768 Author Assembly Budget Committee Chapter Number: 02-1127

Laws Affecting Franchise Tax Board: Revenue and Taxation Code Section 19521

Date Filed with the Secretary of the State: September 30, 2002

SUBJECT: Adjust Interest Rate for Corporate Overpayments

Assembly Bill 1768 (Assembly Budget Committee), as enacted on September 30, 2001, made the following change to California law:

Section 19521 of the Revenue and Taxation Code is amended.

This act affects corporations only, and reduces the interest rate for overpayments by providing that the rate of interest for overpayments for periods beginning on or after July 1, 2002, shall be equal to the lesser of 5% or the rate of a 13-week United States Treasury bill. Any rate change will be rounded to the nearest full percent.

This act is effective immediately and operative for periods beginning on or after July 1, 2002.

This act will not require any reports by the department to the Legislature.

Bureau Director

Roger Lackey

Date

October 24, 2002